Bruce A. Anderson ELSAESSER JARZABEK ANDERSON MARKS & ELLIOTT, CHTD. Attorneys at Law Third & Lake Streets P.O. Box 1049 Sandpoint ID 83864

Tel: (208) 263-8517 Fax: (208) 263-0759

Attorneys for: Debtor-in-Possession

900 JAN RTS 2002 FEB 28 - P 6 23 CAMPIUMS, BURKE, CLERK, IDAHO

UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF IDAHO

| In Re: |) | |
|---------------------------------|---|-----------------------------|
| |) | Case No. 02-20218 |
| FRANK CHAPIN and SYDNEY CHAPIN, |) | |
| |) | APPLICATION FOR APPOINTMENT |
| Debtors-in-possession. |) | OF ATTORNEY AND NOTICE |
| - |) | |

DEBTORS-IN-POSSESSION in the bankruptcy for the aboveentitled estate petitions the Court to approve hiring the law firm of ELSAESSER JARZABEK ANDERSON MARKS & ELLIOTT, CHTD., P.O. Box 1049, Sandpoint, Idaho 83864, as attorneys for the Debtor-in-Possession in this case. This Petition is brought pursuant to Bankruptcy Rule 2014.1, and is based on the following:

Legal advice and assistance is needed by the Debtor-in-1. Possession in order to propose and have confirmed a Chapter 11 Plan of Reorganization.

APPLICATION FOR APPOINTMENT OF ATTORNEY AND NOTICE - 1



2. Subject to the approval of any application for compensation by this Court, the proposed arrangement for compensation of these attorneys shall be as follows:

Ford Elsaesser \$200 per hour Bruce Anderson \$175 per hour Lisa Powell \$40 per hour Deena Anderson \$40 per hour

- 3. To the best of applicant's knowledge, there are no connections of the persons proposed to be employed with the debtor, creditors, other parties in interest, and the U.S. Trustee.
- 4. Debtor has paid counsel \$2,500.00 pre-petition for services rendered pre-petition and the \$830.00 filing fee.
- 5. Counsel holds a pre-petition retainer in its trust account in the amount of \$21,658.00.

WHEREFORE, the Debtor-in-Possession respectfully requests that the Court enter an order approving the employment of the law firm of Elsaesser Jarzabek Anderson Marks & Elliott, Chtd. to serve as counsel to the debtor herein.

DATED this 28 day of FRIARY, 2002.

Frank Zhapin

Sydney/Chapin

APPLICATION FOR APPOINTMENT OF ATTORNEY AND NOTICE - 2

NOTICE

NOTICE IS HEREBY GIVEN that any opposition to the above Application must be filed with the Clerk of the United States Bankruptcy Court, and must be served upon the undersigned counsel not later than fourteen (14) days from the date of this Notice. If no objection is timely filed and served, the relief requested may be granted without a hearing.

Pursuant to LBR 2002-2(c), any objection shall state briefly the grounds therefor. If an objection is filed, the opposing party must comply with LBR 2002-2(e)(2) and (3), which states, in part, that counsel for the objecting party shall be responsible for contacting the calendar clerk and obtaining a hearing date and notifying the moving party and all other parties as required by this rule. Failure to obtain and notice a hearing within thirty (30) days after filing the objection will waive the objection and allow entry on an order. Any party requesting a hearing date from the calendar clerk (or in open court) shall file the notice of hearing and related pleadings at least five (5) days prior to the scheduled hearing date. Failure to do so may result in the hearing being removed from the calendar.

DATED this 38 day of February, 2002.

ELSAESSER JARZABEK ANDERSON MARKS & ELLIOTT, CHTD.

Bruce A. Anderson

CERTIFICATE OF MAILING

| I HEREBY CERTIFY that or caused to be served a true and method indicated below, and a | day of February, 2002, in this day of February, 2002, indicate the desired day of the foregoing by the addressed to the following: |
|---|--|
| U.S. Trustee P.O. Box 110 Boise, ID 83701 | X U.S. MAIL HAND DELIVERED OVERNIGHT MAIL FACSIMILE |
| Attached Mailing Matrix | _X U.S. MAIL HAND DELIVERED OVERNIGHT MAIL FACSIMILE |
| | Bruce A. Anderson Attorney at Law |

Advanced Physical Therapy 1905 Pine Street Sandpoint, ID 83864

AT&T Customer Care P.O. Box 3611 Bothell, WA 98041

Bonner General Hospital 520 N. Third Ave. Sandpoint, ID 83864

Check Rite P.O. Box 661158 Chicago, IL 60666

Discover Card P.O. Box 30395 Salt Lake City, UT 84103

Estate of Christina Leaf c/o Joseph P. Delay 601West Main, Ste 1212 Spokane, WA 99201

First National Bank of Montana P.O. Box 1588 Libby, MT 59923

Internal Revenue Service IRS Special Procedures 550 West Fort Street Boise, ID 83724

John C. Wagner c/o William Schroeder 717 West Sprague, Ste 1200 Spokane, WA 99201

Linda Wagner c/o William Schroeder 717 West Sprague, Ste 1200 Spokane, WA 99201 American Lutheran Church c/o William Schroeder 717 West Sprague Ave., Ste 1200 Spokane, WA 99201

Bonner County Tax Collector 215 South First Ave. Sandpoint, ID 83864

Bonner Physical Therapy 1327 Superior Street Sandpoint, ID 83864

Daniel Wagner c/o William Schroeder 717 West Sprague Ave., Ste 1200 Spokane, WA 99201

Donald Wagner c/o William Schroeder 717 W. Sprague, Ste 1200 Spokane, WA 99201

Estate of Wilbur Leaf c/o Joseph Delay 601 West Main, Ste 1212 Spokane, WA 99201

Ford Motor Credit c/o Payoff Correspondence P.O. Box 543099 Omaha, NE 68154

Jay & Nancy Whitson 1923 E. Buena Vista Drive Tempe, AZ 85284

Karen Saxowsky c/o William Schroeder 717 West Sprague, Ste 1200 Spokane, WA 99201

Lynette J. Brekke c/o William Schroeder 717 West Sprague, Ste 1200 Spokane, WA 99201 American Red Cross c/o William Schroeder 717 West Sprague Ave., Ste 1200 Spokane, WA 99201

Bonner County Treasurer 215 S. First Ave. Sandpoint, ID 83864

Capitol One P.O. Box 85015 Richmond, VA 23285

Deaconess Medical Center c/o Allen Ruben 720 West Boone, Ste 200 Spokane, WA 99201

Douglas Cipriano, MD 1327 Superior Sandpoint, ID 83864

Finney & Finney 120 Lake Street Sandpoint, ID 83864

Internal Medicine 207 Church Street Sandpoint, ID 83864

Jerilyn A. Klungtvedt c/o William Schroeder 717 West Sprague, Ste 1200 Spokane, WA 99201

Lineaire, Inc. P.O. Box 3387 Spokane, WA 99220

Providian Financial P.O. 9539 Manchester, NH 03108 Robert Kovacevich W. 818 Riverside Avc., Ste 530 Spokane, WA 99201

Selkirk Medical c/o IC Systems, Inc. 444 Hwy 96 E. St. Paul, MN 55164

U.S. Trustee P.O. Box 110 Boise, ID 83701 Robert Kovacevich, PLLC c/o Timothy Graham 1420 Fifth Ave, Ste 4100 Seattle, WA 98101

Sunrise Credit Services, Inc. 2174 Jackson Ave Seaford, NY 11783 Sears Roebuck P.O. Box 182149 Columbus, OH 43218

Toro Viejo II, Inc. 9510 Government Way Coeur d' Alene, ID 83814